
Public Utilities Commission

Minutes of Open Meeting Held on October 28, 2020

An Open Meeting of the Public Utilities Commission (PUC or Commission) was held on October 28, 2020 at 10:00 A.M. in Hearing Room A, 89 Jefferson Boulevard, Warwick, Rhode Island to discuss, deliberate, and/or vote on the following dockets

In attendance: Chairman Ronald Gerwatowski, Todd Bianco, Patricia Lucarelli, Cynthia Wilson-Frias, Alan Nault and Luly Massaro. Remotely: Commissioner Marion Gold and Commissioner Abigail Anthony.

- I. Chairman Gerwatowski called the Open Meeting to order at 10:00 A.M. A quorum was present.
- II. **Docket No. 5074 – Verizon New England, Inc. d/b/a Verizon Rhode Island** – The PUC considered Verizon Rhode Island’s tariff filing to propose rate increases to residential service, including increased rates for subscriber to measured lifeline service. After review, Chairman Gerwatowski moved to approve Verizon’s second tariff amendment, submitted on October 26, 2020. The amended tariff includes the lifeline credit which reflects no increase from the initial tariff submitted on October 1, 2020. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- III. **Docket No. 5058 – The Narragansett Electric Co. d/b/a National Grid** – This is related to National Grid application to add Terms and Conditions for Municipal Aggregators (RIPUC No. 2222). Colonial Power Group, Inc. submitted a Late-Filed Motion to Intervene. No objection was received. Chairman Gerwatowski moved to allow Colonial Power Group to intervene. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- IV. **Docket No. 4237 – The Narragansett Electric Co. d/b/a National Grid** – In this docket, the PUC reviewed National Grid’s contact voltage compliance filing submitted with the statutory requirements of R. I. Gen Laws. §39-2-25(b)(6). National Grid submitted its 2020 Contact Voltage Annual Report on June 25, 2020. After review, the following motions and votes were made:
 - a. Chairman Gerwatowski moved to accept National Grid’s motion for protective treatment of responses to Commission data requests 3-1, 3-3 3-4, and 4-1. Commissioner Anthony seconded the motion and motion was unanimously passed. **Vote 3-0.**
 - b. Chairman Gerwatowski moved that the PUC find that National Grid’s Contact Voltage Report is in compliance with R.I. Gen. Laws § 36-2-

25(b)(6). Commissioner Gold seconded the motion and motion was unanimously passed. **Vote 3-0.**

- c. Chairman Gerwatowski moved that National Grid shall continue the testing schedule for completing 20% of the Contact Voltage Designated Risk Areas (DCVRAs) in FY 2021. Commissioner Gold seconded the motion and motion was unanimously passed. **Vote 3-0.**
- d. Chairman Gerwatowski moved that National Grid shall continue its current process for conducting mobile surveys. Commissioner Anthony seconded the motion and motion was unanimously passed. **Vote 3-0.**
- e. Chairman Gerwatowski moved that National Grid shall monitor the IEEE Standards P1695 and inform the Commission of any changes or other actions involving P1695. Commissioner Gold seconded the motion and motion was unanimously passed. **Vote 3-0.**
- f. Chairman Gerwatowski moved that National Grid shall perform post mitigation testing on company-owned assets by manually testing the areas where previous remediation works was completed after the prior year's mobile survey. Commissioner Gold seconded the motion and motion was unanimously passed. **Vote 3-0.**
- g. Chairman Gerwatowski moved that National Grid shall develop a methodology for comparing current year results in DCVRAs with company-owned assets against results from the same DCVRAs from prior years. Commissioner Gold seconded the motion and motion was unanimously passed. **Vote 3-0.**

- V. **Docket No. 5068 – Sanford Airport Solar LLC (Company)** – The Company applied for eligibility of the Sanford Airport Solar LLC generation unit, a 49.4 AC (72.5 DC) solar facility located in Sanford, Maine as a New Renewable Energy Resource. Chairman Gerwatowski moved to accept the PUC Consultant's recommendation to conditionally approve the application. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- VI. **Docket No. 5069 – Echo Preservation LP (Company)** – The Company applied for eligibility of the Echo Valley Solar generation unit, a 0.373 MW AC (0.426 MW DC) solar facility located in West Warwick, Rhode Island as a New Renewable Energy Resource. Chairman Gerwatowski moved to accept the PUC Consultant's recommendation to approve the application. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- VII. **Docket Nos. 5040 and 5066 – The Narragansett Electric Co. d/b/a National Grid** - These dockets relate to the Commission's reviewed of National Grid's annual Distribution Adjustment Charge (DAC) Filing and Gas Cost Recovery (GCR) Filing. The Company proposed rate changes to take effect November 1, 2020. After examination of the record and deliberation, the following motions and votes were:

Factors of the Distribution Adjustment Charge (DAC) – Docket No. 5040

- a. Chairman Gerwatowski moved to approve a System Pressure Factor of \$0.0154 per therm. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- b. Chairman Gerwatowski moved that National Grid report on the incremental variable costs associated with peak hour resources in the DAC next year and that if those costs are significant during the 2020/2021 winter, they be included in the reconciliation process. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- c. Chairman Gerwatowski moved to credit back the customers the full balance in the AGT account netting against the DAC request and approve an AGT Factor of (\$0.0017) per therm which will credit back to customers the \$713,000 balance in the AGT account. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- d. Chairman Gerwatowski moved to approve an Environmental Response Cost Factor of \$0.0024 per therm. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- e. Chairman Gerwatowski moved to approve a Pension and Post-Retirement Benefits other than Pensions Factor of \$0.0022 per therm. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- f. Chairman Gerwatowski moved to approve an Arrearage Management Adjustment Factor of \$0.0015 per therm. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- g. Chairman Gerwatowski moved to approve a Revenue Decoupling Adjustment Factor of \$0.0069 per therm. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- h. Chairman Gerwatowski moved to approve Infrastructure, Safety, and Reliability Reconciliation Factors ranging from (\$0.0046) to \$0.0016 per therm as set forth in Attachment PUC 1-1, Page 1 of 6. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- i. Chairman Gerwatowski moved to approve a Service Quality Performance Factor of (\$0.0013) which will credit a total of \$531,782 in penalties to customers. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- j. Chairman Gerwatowski moved to approve Reconciliation Factors of \$0.0005 per therm for Residential and Small and Medium C&I customers; (\$0.0018) per therm for Large and Extra-Large C&I customers. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- k. Chairman Gerwatowski moved to approve a Revenue Decoupling Reconciliation Factor for 2020 of (\$0.0034) per therm. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- l. Chairman Gerwatowski moved to approve an Earnings Sharing Mechanism Factor of (\$0.0011) per therm which is subject to further review of National Grid's Earnings Report. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

- m. Chairman Gerwatowski moved to approve a Low-Income Discount Recovery Factor of \$0.0161 per therm. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- n. Chairman Gerwatowski moved to approve a Storm Net Revenue Factor of \$0.0000 per therm. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Factors of Gas Cost Recovery (GCR) – Docket No. 5066

- a. Chairman Gerwatowski moved to approve a High Load Factor of \$0.5093 per therm. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- b. Chairman Gerwatowski moved to approve a Low Load Factor of \$0.5757 per therm. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- c. Chairman Gerwatowski moved to approve a FT-2 Demand Rate Usage \$12.3568 Dth/Mth, and a FT-2 Storage and Peaking for FT-1 firm transportation customers eligible for TSS \$0.9294 per Dth. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- d. Chairman Gerwatowski moved to approve a Gas Purchasing Incentive Plan incentive of \$48,974. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- e. Chairman Gerwatowski moved to approve a Natural Gas Portfolio Management Plan incentive of \$694,561.32. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- f. Chairman Gerwatowski moved to approve a BTU Factor of 1.029. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- g. Chairman Gerwatowski moved that the Company be directed to continue to work with the Division to develop data exchange protocols for the Natural Gas Portfolio Management Plan which provides additional transparency and for more efficient auditing. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- h. Chairman Gerwatowski moved that the Company be directed to work with the Division to develop a plan to diversify its advance hedge purchases to ensure it will accelerate gas purchases when gas prices are low. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- i. Chairman Gerwatowski moved that the Company be directed to continue to track variable costs incurred in meeting peak hour requirements and report in the 2021 Distribution Adjustment Charge (DAC) filing and if those costs are significant to allocate them from the GCR to the DAC. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

- j. Chairman Gerwatowski moved that the Company be directed to continue to track incremental costs associated with the peak and if those costs are significant include them in the 2021 DAC filing. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Deferral of rate increases in Dockets 5040 and 5066

Chairman Gerwatowski moved that 50% recovery of the revenue requirement associated with the factors approved by the Commission be deferred. The Company is required to make a compliance filing with new factors that reflect the 50% deferral. Commissioner Gold seconded the motion. Commissioner Anthony dissented. **Vote 2-1.**

Chairman Gerwatowski moved that the Company be required to report on the level and status of the deferral by May 1, 2020. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Chairman Gerwatowski moved that the Commission nullify the original motion and vote and to substitute with new language. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Chairman Gerwatowski moved that 50% recovery of the incremental increases in both dockets, DAC and GCR, be deferred until a later date to be determined by the Commission and that the Company make a compliance filing by Friday, October 30, 2020, with new factors reflecting the 50% deferral. Commissioner Gold seconded the motion. Commissioner Anthony dissented. **Vote 2-1.**

- VIII. There being no further business to discuss, Chairman Gerwatowski adjourned the Open Meeting at 11:30 A.M. A video of the Open Meeting discussion can be accessed at <http://www.ustream.tv/channel/WqQyXw296dg>